

2003 DRAFTING REQUEST**Assembly Amendment (AA-ASA2-AB61)**Received: **03/12/2003**Received By: **mkunkel**Wanted: **As time permits**

Identical to LRB:

For: **G. Spencer Coggs (608) 266-5580**By/Representing: **David de Felice**This file may be shown to any legislator: **NO**Drafter: **mkunkel**

May Contact:

Addl. Drafters:

Subject: **Public Util. - telco**

Extra Copies:

Submit via email: **YES**Requester's email: **Rep.Coggs@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Adjusting grants to wireless providers and report to legislature

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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03/12/2003 10:06:21 AM

Page 2

FE Sent For:

<END>

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1?	mkunkel	1 4/5 3/12 03	3/12	3/12			

FE Sent For:

<END>

Kunkel, Mark

From: Rep.Coggs
Sent: Wednesday, March 12, 2003 8:32 AM
To: Kunkel, Mark
Subject: FW: wireless 911

Importance: High



Current E911
Charges.doc

Mark:

Please see the attached memo regarding AB 61 up for consideration in JFC.

Spencer would like a motion drafted for this morning's JFC exec that would incorporate [2] on the last page of the memo.

Basically, it's Spencer's concern that wireless companies are collecting fees for an enhanced 911 wireless system that has not even been established yet.

Thanks,

David de Felice
Office of Rep. G. Spencer Coggs
State Assembly
608-266-5580 phone
608-282-3617 fax

-----Original Message-----

From: Patrick Curley [mailto:Pcurley@milwaukee.gov]
Sent: Friday, February 28, 2003 4:26 PM
To: Rep.Coggs@legis.state.wi.us; Rep.Colon@legis.state.wi.us;
Rep.Cullen@legis.state.wi.us; Rep.Foti@legis.state.wi.us;
Rep.Richards@legis.state.wi.us; Rep.Sinicki@legis.state.wi.us;
Rep.Wasserman@legis.state.wi.us; Rep.Young@legis.state.wi.us
Subject: wireless 911

FYI - please see attached. Thanks.

February 28, 2003

To: Interested Parties

Fr: Patrick T. Curley
Director, Intergovernmental Relations
City of Milwaukee

Re: Enhanced 911 Surcharges

The City of Milwaukee's Intergovernmental Relations staff has recently learned that two Wireless Telephone Companies are currently billing their Wisconsin customers for Enhanced 911.

U.S. Cellular charges 78 cents per billing period for "Federal and Other Regulatory Fees". Among the six programs U.S. Cellular funds from this charge is Enhanced 911. Enhanced 911 is clearly defined on U.S. Cellular billing information and reads as follows:

Enhanced 911

" With Enhanced 911, emergency response agencies will be able to determine the location of anyone who uses their wireless phone to dial 911. U.S. Cellular has upgraded its network in order to meet Federal requirements and is working with local public safety organizations to provide this service. Depending on your state you may see additional state charges for E911."

Upon reading this information, a Wisconsin U.S. Cellular customer may believe that their local public safety agency is already benefiting from the surcharge. They may also believe that U.S. Cellular has completed the necessary upgrades to provide local E911 and is already working with the local public safety agency to fully implement E911.

A representative from Sprint's Corporate Tax Department informed staff that Sprint currently charges a "Federal 911 Cost Recovery Charge". The charge is 1% of the combined monthly recurring charge [the flat service charge] and interstate call charges.

In addition, Sprint has a "Carrier Property Tax Fee" that is described as follows:

"Sprint will assess a fee equal to 1.08% until February 28, 2003 and 1.41% as of March 1, 2003 of your billed interstate and international charges [including usage and non-usage] each month. These fees allows Sprint to recover a portion of the property tax that it pays for Sprint property and equipment used to provide Services."

Sprint customers in Wisconsin may believe that the revenues generated by the Federal 911 Cost Recovery Charge are being invested in their local public safety services. They may be surprised to learn that in addition to paying their own property taxes [which pay for police and fire services] they are also paying Sprint's property taxes, [which do not go to local units of government] and for "equipment" that may or may not be 911 related.

In the current legislative session, the two E911 bills have been given public hearings. At those hearings, not one representative of the Cellular Telephone Industry has provided public testimony regarding current surcharges and fees.

Why is that? How many times will customers and property tax payers pay for essential E911 services? Two companies are already charging for E911. Their customers will pay once again and then their local PSAP will turn around and write a check to those companies for the privilege of purchasing their equipment. Property tax payers will pick up any on-going costs.

Cellular customers will pay a surcharge [for some, yet another one] for the necessary upgrades at the selected county call center. They will pay property taxes for the necessary upgrades that local dispatch centers and local PSAPs will need to receive the call electronically from the call center. The industry will be fully reimbursed – either through surcharge revenues [charges they already are currently billing as well as the new state charge] and from local property tax dollars [which they don't pay].

One has to ask; whom are we trying to protect here?

RECOMMENATIONS

[1] Prior to taking executive action on the respective bills, Assembly and Senate Committee Chairs should request Cellular and Landline Industry representatives to provide testimony regarding current emergency 911 surcharges and fees. Testimony should address the amount of fees and charges, time collected in Wisconsin and how funds are expended in Wisconsin.

*2021/11
"charges"
(not fees)*

[2] Language should be added to the bills directing the PSC to identify (a) those fees and charges that are now levied in Wisconsin for Enhanced 911, (2) the amount of revenue those fees have generated and (3) benefits Wisconsin consumers have received from payment of those identified fees and charges. In addition, the PSC should be directed to "account for the revenues received by cellular telephone companies from existing surcharges and fees currently paid by Wisconsin consumers for Enhanced 911 services and equipment and adjust any grant award to a cellular provider for those amounts already charged and paid."

NOT desired - A: wireless 911 charges

?

[3] Allowable PSAP network expenses should include, "costs associated with transferring and the electronic receipt of a wireless enhanced 911 call from the county's call center."

A: reduce

Now

03/13/11
RM
NOT
RUN

ASSEMBLY AMENDMENT, (2)
TO ASSEMBLY SUBSTITUTE AMENDMENT (LRBs0019/2),
TO 2003 ASSEMBLY BILL 61

6

5

12

and collected from

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 5, line 23: delete "From the appropriation" and substitute "Except as
3 provided in subd. 2m., from the appropriation".

4 2. Page 6, line 9: after that line insert:

5 "2m. The commission shall identify the total amount of all wireless 911 charges,
6 that a wireless provider has imposed on customers in this state ^{before} ~~during the period~~ ^{and fees}
7 ~~beginning on January 1, 2001, and ending on~~ the date that the surcharge under the
8 rules promulgated under par. (f) 1. is first imposed. The commission shall also
9 identify the total amount of all revenues generated by such charges ^{and fees} and the value of ~~the~~
10 ~~the~~ benefits that customers in this state have received from the imposition of such
11 charges. ^{and fees} In making grants to a wireless provider under subd. 2., the commission
12 shall ~~reduce~~ ^{adjust} the amount of the grants ~~by the total amount of such charges~~ ^{identified}

to ~~not~~ take into account
the amount ~~of~~ of charges and fees

1 by the commission for that wireless provider under this subdivision. The commission
2 may inspect any records of a wireless provider that are necessary for the commission
3 to administer the requirements of this subdivision." ✓

4 (END)

1
INSERT 2-3

2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBa0313/lins
MDK:.....

INSERT 2-3:

1. Page 8, line 11: after that line insert:

“(fm) *Report*. Before making any grant under par. (d), the commission shall prepare and submit a report to the legislature, in the manner provided under s. 13.172 (2), and to the governor, describing the charges, fees, revenues, and benefits that the commission has identified under par. (d) 2m.”.